



Report to the Auburn City Council

Action Item

13

Agenda Item No.

City Manager's Approval

To: Mayor and City Council
From: Robert Richardson, City Manager
Date: September 13, 2010
Subject: ARD Annual Report and Request for Changes to the Park Impact Mitigation Fee

The Issue

Shall the City Council hear ARD's Annual Report and request for changes to the Park Impact Mitigation Fee?

Conclusion and Recommendation

That the City Council hear ARD's Annual Report, request for changes to the Park Impact Mitigation Fee, and provide direction to staff.

Background

Per the Memorandum of Understanding between the City of Auburn and the Auburn Area Recreation and Park District, a report shall be provided to the city that details ARD's expenditures of Park Impact Mitigation Fees in the previous Fiscal Year and the proposed expenditures for the current Fiscal Year. Additionally, ARD wishes to propose an increase in their Park Impact Mitigation Fee from \$1,073 per SFD to a minimum of \$5,500 per SFD.

Fiscal Impact

Information item only, no fiscal impact at this time.

Attachments

- A: Auburn Area Recreation and Park District Annual Report
- B: Presentation on City of Auburn Park Impact Mitigation Fees

ATTACHEMENT A

Auburn Area Recreation and Park District
Annual Park Impact Mitigation Fee Report to the Auburn City Council
Monday, September 13, 2010

Background

Per the Memorandum of Understanding between the City of Auburn and the Auburn Area Recreation and Park District (ARD), a report shall be provided to the City that details ARD's expenditures of Park Impact Mitigation Fees in the previous Fiscal Year and the proposed expenditures for the current Fiscal Year.

Annual Report

Fiscal Year 2009/2010

Note: ARD's Fiscal Year runs April 1 – March 31

In FY 09/10, ARD used City Park Impact Mitigation Fees for one project.

Recreation Park Locker Room Renovation Project

Total Cost: \$460,560, including design fees, lead and asbestos abatement, permits and construction
City of Auburn Park Mitigation Fees used on this project: \$68,000

The ARD locker rooms serve Sierra Pool (the only public pool in the Auburn area), the Recreation Park gymnasium and classrooms, and general park users at Recreation Park. The renovation of the locker rooms at Recreation Park included several elements. A synopsis of those elements includes:

- Gutting the inside of the existing locker rooms (estimated to be 30 – 40 years old) including new plumbing, new heating/ventilation, floors, showers, sinks, toilets and interior walls, all done to ADA specifications.
- Repairs to the existing masonry walls on the shell of the building. Approximately 25% of the masonry walls had to be rebuilt due to crumbling block and rotted rebar.
- Completion of ADA path-of-travel around the Recreation Park building. This included improvements to the ADA parking area at Recreation Park and the courtyard area between the locker rooms and Sierra Pool.
- Upgrades to the electric system for the entire Recreation Park building, including the locker rooms.

Photographs of the locker rooms and courtyard, both before and after, are attached.

Other projects in the City of Auburn (not using City Park Mitigation Fees), FY 09/10:

Note: projects listed are from ARD's 5 year CIP list and do not include regular or emergency maintenance projects

Recreation Park Community Center roof renovation and improvements

Total cost \$92,113

The roof of the Recreation Park building was completely renovated as part of ARD's efforts to shore up its aging infrastructure

Fiscal Year 2010/2011

In FY 10/11, ARD is using City Park Impact Mitigation Fees on one project.

Recreation Park Loop Trail/Pathway

Total Estimated Cost: \$318,000, including design and environmental fees, permits, construction and associated costs for a fence along UPRR property.

City of Auburn Park Impact Mitigation Fees to be used: \$43,000

The Loop Pathway project at Recreation Park will find a +/- .7 mile loop, asphalt trail circling Recreation Park. ARD received a grant from the Land Water Conservation Fund to pay for a portion of the construction costs of the trail. Features of the trail include:

- Class I asphalt trail, completely accessible per ADA standards.
- A trail "spur" that will create ADA access to the Beggs Field spectator/snack bar area.
- A new ADA entry ramp from the front parking lot

An aerial photograph showing the pathway layout is attached

Other projects in the City of Auburn (not using City Park Mitigation Fees), FY 10/11:

Note: projects listed are from ARD's 5 year CIP list and do not include regular or emergency maintenance projects

Recreation Park lifeguard building renovation

Total estimated cost: \$80,000

ARD staff and a group of volunteers will be renovating this building that houses lifeguard headquarters and storage. Renovations will include a new roof, new interior and exterior walls, electric upgrades, new windows and new doors.

Recreation Park Irrigation Pond repairs

Total cost: \$24,500

Recreation Park is irrigated with water from two storage ponds behind Beggs baseball field. The lower pond was starting to have serious problems with degradation of the dam. Repairs were made to shore up the dam.

James Field foul ball catcher

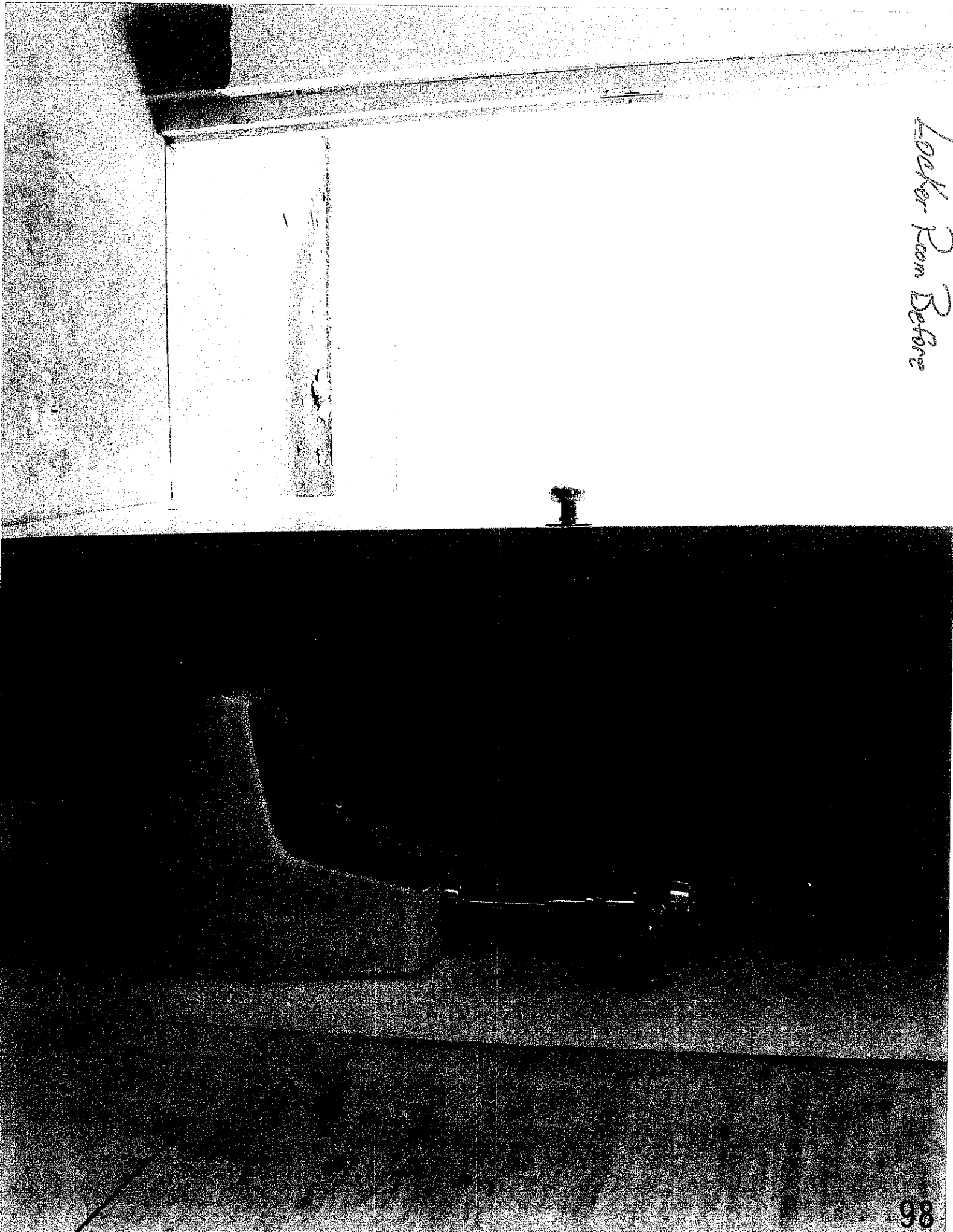
Total estimated costs: \$15,000

Poles and netting will be erected at strategic points to prevent spectators park users from getting hit with foul balls coming off of James Field.

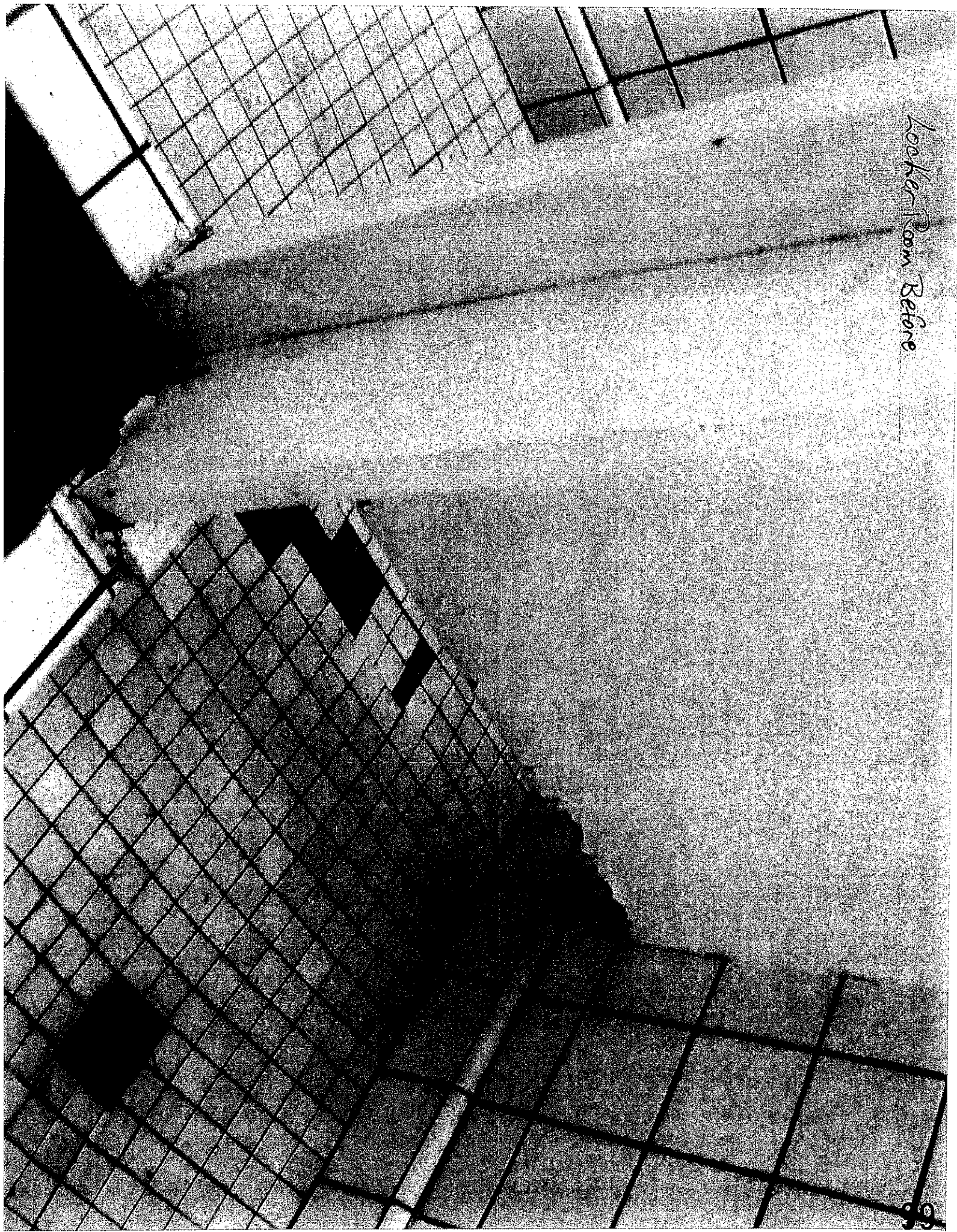
Ashford Park parking lot re-seal/re-stripe

Total cost: \$7,500

Locker Room Before



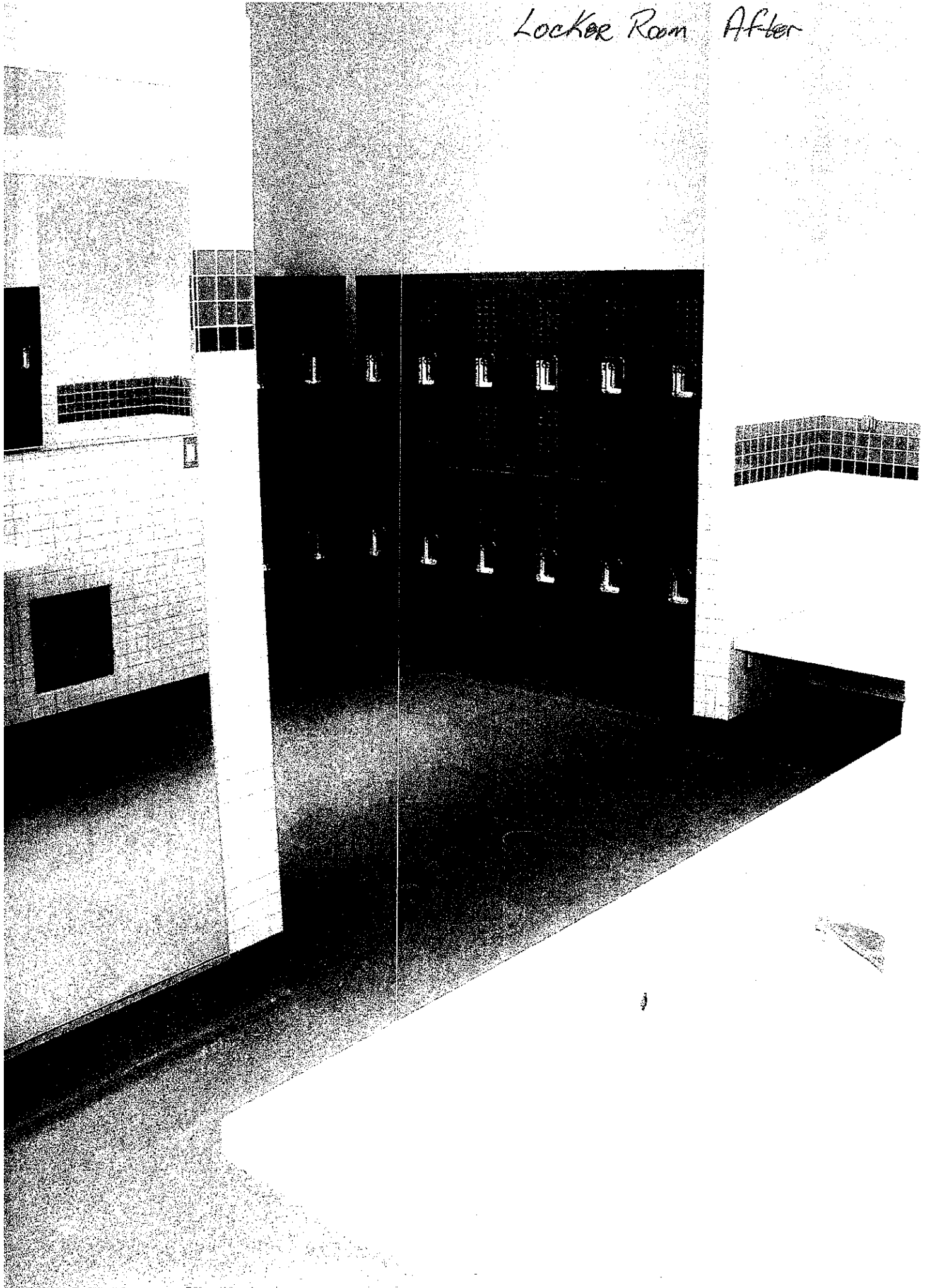
Locker Room Before



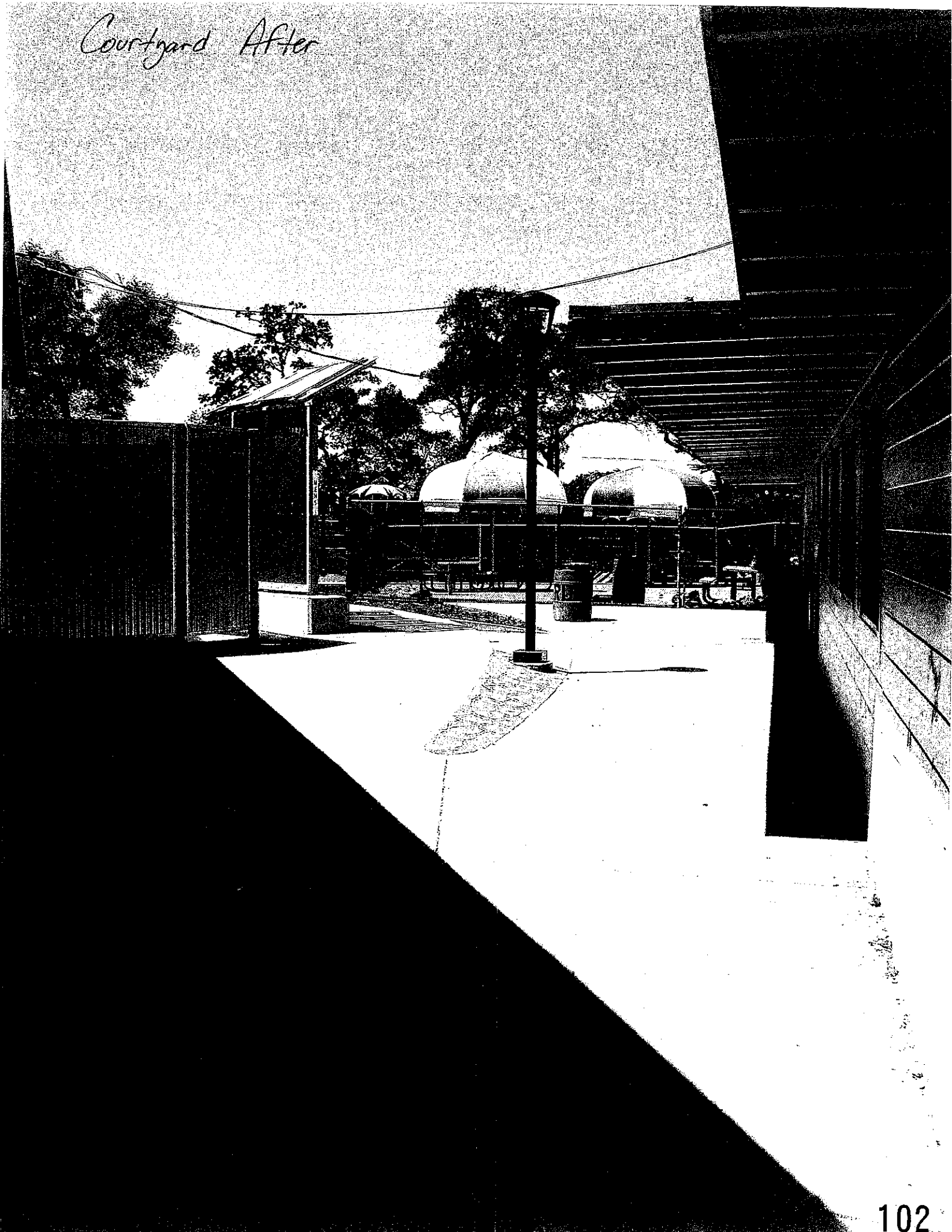


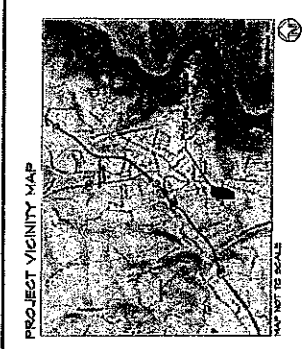
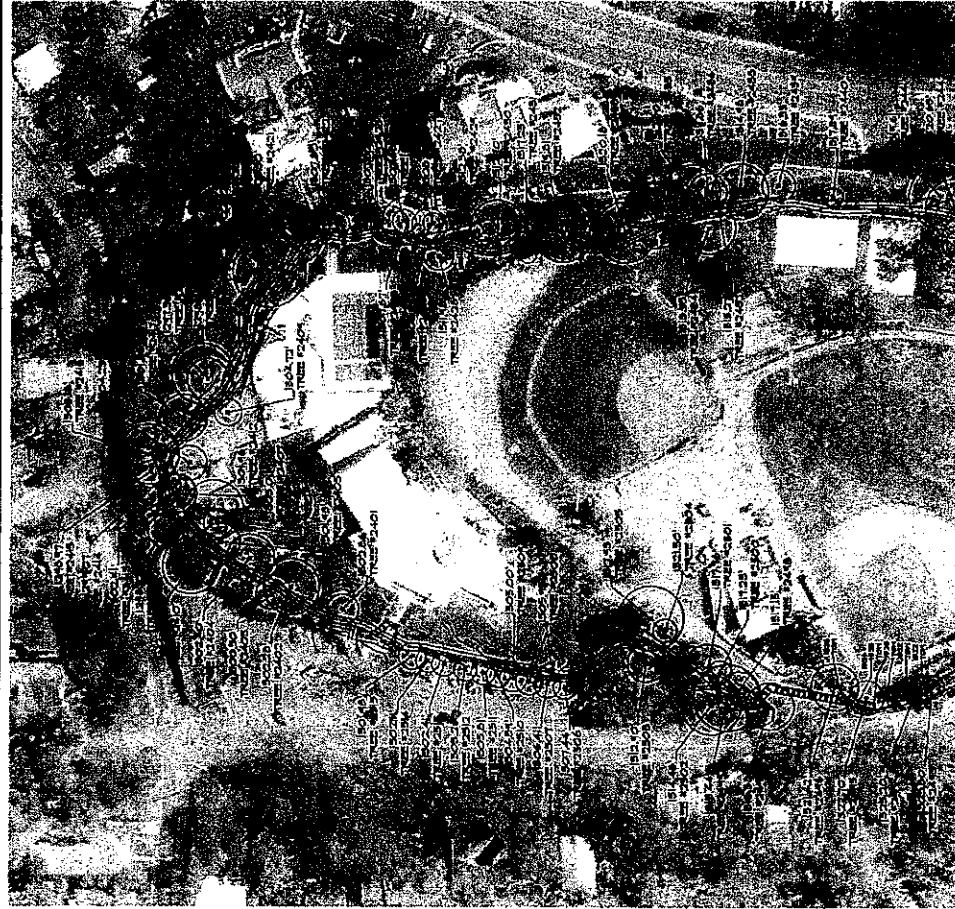
Old pipes removed from L.E.

Locker Room After



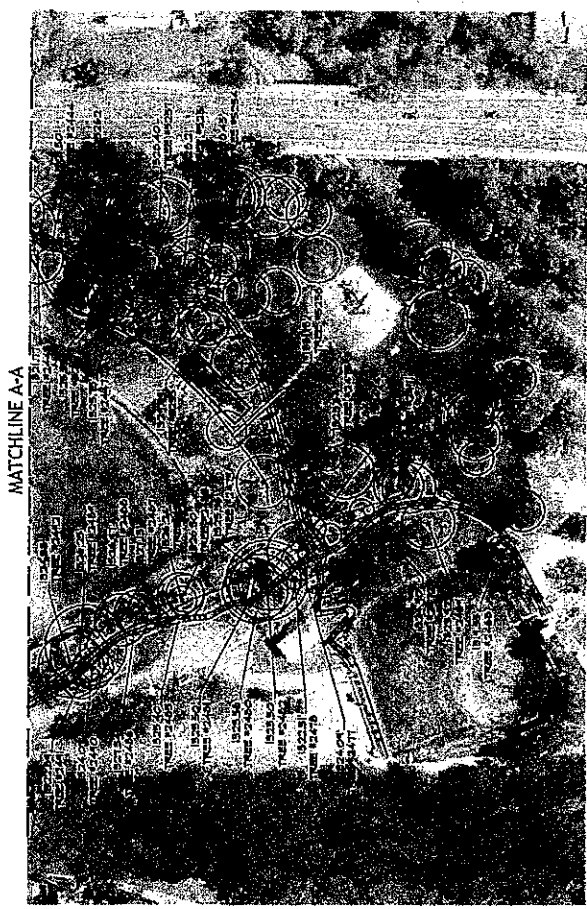
Courtyard After







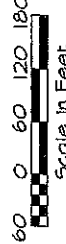
- LEGEND**
- TRAIL BY TREE 14332 TREE LOCATION POINT
 - CRITICAL ROOT ZONE OF IMPACTED TREES
 - IMPACTED ROOT ZONE
 - TREE RATINGS
 - B-4
 - B-3
 - B-2
 - B-1
 - A
 - X TREES TO BE REMOVED

NOTE:
SEE APPENDIX A OF "LANDSCAPE REPORT FOR RECREATION PARK PARK TRAIL" DATED FEBRUARY 9, 2010, PREPARED BY Foothill Associates FOR INFORMATION ON TREE SPECIES, SIZE, AND RATINGS.



MATCHLINE A-A

PROPOSED PROJECT IMPACT MAP - RECREATION PARK TRAIL

 FOOTHILL ASSOCIATES ENVIRONMENTAL CONSULTING • PLANNING • LANDSCAPE ARCHITECTURE	590 MENLO DRIVE, SUITE 1 ROCKLIN, CALIFORNIA 95765 (916) 435-1202 © 2010		 Scale in Feet 60 0 60 120 180	2/9/2010	APPENDIX B
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ATTACHEMENT B

Auburn Area Recreation and Park District

Presentation on City of Auburn Park Impact Mitigation Fees

"The concept of open and inviting public spaces, accessible to all, is one of the hallmarks of an egalitarian society. No matter how rich or poor you are, you share ownership of these places." Stuart Leavenworth, Sacramento Bee, September 5, 2010

"I consider ARD a cornerstone of the Auburn Community – the benefits are immeasurable. It is an asset that sustains our invaluable sense of community" Jeff Patton, lifetime Auburn area resident

Background

The Sacramento Bee recently ran a series of articles on the state of parks in the local Sacramento area. The main thrust of these articles was the decay of Sacramento area parks due to budgetary constraints.

Parks in Placer County and the City of Auburn have fared better than those in Sacramento and Sacramento County, however we need to be prepared to deal with future costs due to impacts from new residents.

The Baltimore Ravine subdivision, at full build out, will bring an extra 1,600 residents into the City of Auburn. Baltimore Ravine currently has set aside 2 acres for a small, neighborhood park. This park, regardless of its features, will not properly mitigate for the impact of the new residents. The standard used for most public agencies is a minimum of 5 acres per 1,000 residents, or a total of 8 acres for the Baltimore Ravine subdivision.

It is highly likely that the new residents will regularly visit Recreation Park due to its close proximity to Baltimore Ravine and because of the features readily available at the park (gymnasium, swimming pools, picnic units, playgrounds and ball fields).

In 2008, ARD, working with Foothill Associates, completed a Nexus Study (attached). This study indicated that ARD should be receiving \$8,754 in Park Development Impact Fees per single family home. Currently the City of Auburn collects \$1,073. Placer County has just raised their fee to \$3,920. A chart highlighting these fees and fees from surrounding communities is included on page 12 of the Nexus Study.

ARD realizes that in these economic times increasing the park impact fees to any level is a difficult choice. However, with fees collected in the City being as low as they are, we feel it is appropriate to request that the City increase fees. At this point, ARD feels that amount closer to \$5,500 would be appropriate.

Request

The Auburn Area Recreation and Park District (ARD) would like to formally request that the Auburn City Council consider an increase in Park Impact Mitigation Fees at an upcoming City Council meeting. Specifically, ARD would like to see the fee increased from the current \$1,073 per SFD to a minimum of \$5,500 per SFD.

**AUBURN RECREATION DISTRICT
PARK DEVELOPMENT IMPACT FEE NEXUS STUDY
SEPTEMBER 2008**

Prepared for:

Board of Directors

Auburn Area Recreation and Park District



ENVIRONMENTAL CONSULTING • PLANNING • LANDSCAPE ARCHITECTURE

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**AUBURN RECREATION DISTRICT
PARK DEVELOPMENT IMPACT FEE NEXUS STUDY**

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1. Introduction

1.1. Purpose of Report

This report is the nexus study supporting the establishment of the Auburn Recreation District's (ARD's) Park Development Impact Fee. It provides the findings and the nexus required by law for establishment of the fee as well as the background and analysis behind the findings.

The methods used to calculate impact fees in this study are intended to satisfy all legal requirements governing such fees, most particularly the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*)

The remainder of this report provides the analysis and findings of the Park Development Impact Fee Study. Chapter 1 summarizes the principles, methods, and results of the study, along with background on the ARD's park system. Chapter 2 provides an analysis of the District's population and level of service standards, followed by a categorical calculation of the costs included in the proposed impact fee and a description of how those costs are allocated to new development. Chapter 3 provides the findings required for establishment of the fee. Chapter 4 provides a comparison of the proposed ARD fee vs. park development impact fees in other communities in the region. Finally, Chapter 5 provides guidance on the implementation of the fee.

1.2. Background

The Auburn Area Recreation & Park District was established in 1948 to provide recreation facilities in Auburn and the surrounding area. The District boundaries cover approximately 100 square miles, from Auburn to Meadow Vista and extending to the Bear River. The District consists of 12 parks with fields and various recreation facilities, and offers a diverse selection of recreation programs for the community.

In early 2008, the District prepared a Level of Service Analysis that set standards for the types and quantities of park and recreation facilities as related to the population served by the facilities. That analysis forms an important portion of the baseline for this nexus study.

1.3. Guiding Principles

The ARD's approach to setting a park development impact fee is based on several guiding principles, each of which is consistent with the guidance and requirements in the Mitigation Fee Act.

- **Non-Duplication with Quimby Act Ordinance:** The park development impact fee will outline a fee structure that illustrates each component of the total fee, including park land acquisition and park land development. Projects that contribute land or in-lieu fees through the Quimby ordinance will be credited the value of the Quimby contribution toward payment of the required park development impact fee.
- **Type of Facilities Funded:** The proposed fee is intended to fund the balance of land acquisition costs for new or expanded parks not covered by locally-collected Quimby

**AUBURN RECREATION DISTRICT
PARK DEVELOPMENT IMPACT FEE NEXUS STUDY**

funds. It is also intended to fund park land development to a minimum standard for neighborhood parks, and an increment for impacts related to demand for pool and gymnasium facilities.

- **Quantity of Facilities Constructed:** The acreage and park facilities to be funded by the proposed fee are based upon the level of service standards adopted by the ARD. Park facilities providing service beyond the standards must be funded through other means.
- **Development Fees Comparable with Neighboring Communities:** The park development impact fee is intended to be set at a level that maintains an economically attractive development environment as compared to surrounding jurisdictions.
- **New Residential Development Produces Parks Need:** The proposed fee is based on the assumption that park needs are generated nearly entirely by residential development, as compared to the need generated by commercial, industrial, and other land uses. The fee is therefore based on and applied to residential development only at this time.
- **Park Fees Expended in Areas that Paid Fees:** California and Federal law requires that those who pay impact fees receive the full benefit of the improvements funded by the fees. ARD's fees will be allocated to provide the greatest possible benefit to the development areas that paid the fees, typically within ½ mile for neighborhood parks and within two miles for community parks. Certain facilities may also provide benefit for existing residents within or beyond that service area, but the proposed fee structure, in conjunction with the ARD's level of service standards, will ensure that new development will receive benefits from special use facilities equal to the fee contribution paid by the development.
- **Periodic Update of Park Development Impact Fee:** The fee set by this study will be automatically updated annually to reflect inflationary increases in park costs. In addition, the park fee analysis will be periodically reviewed to ensure that current residential development trends and other relevant information are reflected in the fee, which will be adjusted accordingly.

1.4. Methodology

The data and analysis used to prepare this report are taken from the best available sources, including the U.S. Census Bureau's 2000 census, the 2008 ARD Level of Service Analysis, and local experts. The basic analytical approach used in this study consists of the following:

- Step 1: Set Level of Service Standards for Parks and Facilities
- Step 2: Estimate Park Costs
- Step 3: Calculate Per Capita Park Costs
- Step 4: Calculate Impact Fee Based on a Common Use Factor

1.5. Summary of Proposed Park Development Impact Fee

This report recommends the following fee structure for the ARD's current park system.

**Table 1:
Park Development Impact Fee Summary**

Residential Land Use	Fee Per Dwelling Unit		Total Fee
	Acquisition	Development	
Single Family Detached	\$2,016	\$6,738	\$8,754
Single Family Attached	\$1,354	\$4,527	\$5,881
Multi-Family	\$1,418	\$4,740	\$6,158
Mobile Home	\$1,477	\$4,937	\$6,414

The proposed fees are based on the best available cost and population information. Fees will be adjusted as necessary to reflect changes in park acquisition and development costs or the availability of other funding sources that reduce the financial need for fees. The ARD will conduct periodic reviews of relevant data and make changes in the fee structure as necessary.

2. Analysis and Findings

This chapter presents the details of the analysis used to set the proposed fee levels, providing documentation of each of the key steps in the analytical methods. It ends with a statement of findings required by the Mitigation Fee Act.

2.1. Level of Service Standards

The Mitigation Fee Act requires that development impact fees be based on a stated level of service for the facility type being funded. For parks, level of service standards are typically expressed as a certain acreage of parks per 1,000 population in the service area, with a predefined level of improvements. The Act also states that a fee shall not include the costs attributable to existing deficiencies in public facilities, but may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to achieve an adopted level of service that is consistent with the general plan.

Planning Standards for Level of Service

The proposed fee is intended to fund neighborhood parks, community parks, and portions of swimming pool and community center facilities. The ARD's level of service standards (adopted June, 2008), specify the following standards for these facility types:

- 5 acres per 1,000 residents for improved active park land.
- 2 mile service radius for community parks and ½ mile radius for neighborhood parks.
- 1 swimming pool facility per 15,000 residents.
- 1 community center facility per 15,000 residents.

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PARK DEVELOPMENT IMPACT FEE NEXUS STUDY**

These standards will serve as the basis for the assignment of per capita costs later in this study. No standard is set for regional parks.

Existing Population and Level of Service

The ARD's current park inventory includes a total of 217.2 acres of active park land and several special-use facilities. Table 2 summarizes the facilities relevant to this study.

**Table 2:
Existing Park Inventory**

Existing Park Inventory			
Facility Type	Quantity	Acres	Existing Level of Service
Neighborhood Parks	7	40.2	0.9 acres per 1,000
Community Parks	4	91	2.1 acres per 1,000
Regional Parks	1	86	2.0 acres per 1,000
Total Park Land	12	217.2	5.0 acres per 1,000
Swimming Pools	2	n/a	1 per 21,500
Community Centers	3	n/a	1 per 14,333

The resident population of the District is approximately 43,000¹. This equates to slightly more than 5 acres of active parks per 1,000 residents, 1 swimming pool per 21,500 residents, and 1 community center per 14,333 residents.

ARD's ability to fund acquisition and development of individual parks and facilities through use of park development impact fees is contingent upon the park and related improvements meeting the nexus requirements described earlier in this report. If a park is designed to serve both existing residents and new development, the ARD must supplement park development impact fee funding with other funding in the amount necessary to provide the portion of the park that addresses the needs of existing residents. In other words, the ARD must ensure that the new development is receiving the full value of park improvements (measured on an acreage per 1,000 residents basis) for the impact fees it paid.

¹ SACOG, *DRAFT 2035 Projections for Households and Population by Housing Type and Employment by Sector* for portions of Regional Analysis Districts 75, 76, and 80.

2.2. *Per Capita Cost Analysis*

There are four basic categories of costs associated with the development of park facilities. Each is listed below, and the remainder of this section presents the per capita cost for each category necessary to provide park facilities that comply with the District's level of service standards.

- **Park Land Acquisition:** Addresses all aspects of acquiring land suitable for active parks.
- **Park Development:** Includes all construction costs necessary to construct the park sites with basic improvements. Basic improvements include: site preparation, utilities and infrastructure, irrigation and recreational amenities including some combination the following, per current level of service standards: restrooms, open turf areas, picnic areas, play areas and structures, paths, tennis courts, basketball courts, sports fields, skate parks, lighting, and site furnishings. Development costs also include all design and construction phase costs associated with producing park plans, preparing construction documents, managing the design and construction process, acquiring permits, securing staking and inspections, and construction contingency costs.
- **Major Facilities:** Park facilities that are specialized in nature or require substantial structural or architectural work are considered major facilities. Examples include a performing arts center, community center buildings, swimming pools, and similar facilities. This study includes analysis and recommendations for the following major facilities:
 - Community Center
 - Swimming Pool
- **Programmatic Costs:** Includes costs associated with developing and administering the impact fee program, including development of the level of service analysis and nexus study updates.

Per Capita Park Land Acquisition Costs

The value of suitable active park land in the District is assumed to be \$156,250 per acre. This figure represents the trend of recent suitable park land transactions within the District and surrounding region and was computed by Foothill Associates by analyzing 19 residential land listings in the Placer County foothills region (including the City of Auburn and unincorporated areas of the County) for the last three years. See Appendix A for details of that analysis. A per capita land acquisition cost of \$781 is calculated by multiplying the cost per acre of park land by the standard of 5 acres per 1000 residents (or 0.005 acres per 1 resident), as presented in Table 3.

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PARK DEVELOPMENT IMPACT FEE NEXUS STUDY**

**Table 3:
Per Capita Park Land Acquisition Costs**

Cost Category	Acres per Capita*	Cost Per Acre**	Cost Per Capita
Land Acquisition	.005	\$156,250	\$781

* Per capita standard reflecting the 5 acres per 1000 residents District standard

** See Appendix A for cost estimate methodology.

As stated earlier in this study, some park land acquisition costs will be recovered by land dedication or in-lieu fees paid through the Quimby Act ordinances administered by the City of Auburn and the County of Placer. To avoid double-charging impact fee payers for land acquisition, the proposed park development impact fees would be reduced or waived by an amount equal to the land dedication value or fees paid under the Quimby Act.

Per Capita Park Land Development Costs

This study assumes an average per acre park land development cost of \$300,000. This figure is based on the park development costs in park development impact fee nexus studies prepared by other park agencies in the region (see Appendix B), and analysis of construction costs for other completed parks in the region. A per capita park development cost of \$1,500 is calculated by multiplying the per acre development cost by the standard of 5 acres per 1,000 residents (or 0.005 acres per 1 resident), as presented in Table 4.

**Table 4:
Per Capita Park Land Development Costs**

Cost Category	Acres per Capita*	Cost Per Acre**	Cost Per Capita
Park Development	.005	\$300,000	\$1,500

* Per capita standard reflecting the 5 acres per 1000 residents District standard

** See Appendix B for cost estimate methodology

Per Capita Major Facilities Costs

The proposed fee includes funding for a swimming pool (25m x 50m competition lap pool) and community center (30,000 – 35,000 SQ FT). The ARD does not currently have a specific construction estimate for either of these projects; therefore, this study bases cost estimates for these major facilities on estimates for similar projects in the region including the Cameron Park CSD Park Impact Fee Nexus Study and the Valley View Specific Plan Community Park. These estimates were adjusted to 2008 dollars using the Engineering & News Record Construction Cost Index. See Table 5 for a summary of the projected costs and calculation of per capita costs for each facility.

The existing level of service within the District for swimming pool facilities is 1 per 21,500 residents. The adopted level of service for swimming pool facilities is 1 per 15,000.

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Because development impact fees cannot be used to address a shortfall in facilities, the per capita cost for swimming pools is calculated based on the existing level of service. If the ARD is able in the future to secure other funding sources to account for the existing shortfall in swimming pool facilities, the fee could be adjusted to reflect the 1 per 15,000 resident standard.

The existing level of service for community centers is currently slightly higher than the adopted standard of 1 per 15,000 residents. Therefore, the per capita cost is computed using the adopted standard.

**Table 5:
Per Capita Major Facilities Costs**

Cost Category	Level of Service Standard	Estimated Cost*	Cost Per Capita
Swimming Pool	1 per 21,500 residents	\$4,600,000	\$214
Community Center	1 per 15,000 residents	\$13,000,000	\$867
Total	--	\$17,600,000	\$1,081

*Source: Based on recent regional cost estimates for similar facilities

Per Capita Programmatic Costs

The Mitigation Fee Act also allows for development impact fees to be used to cover the costs of setting up and managing the impact fee program. These costs are limited to those costs necessary to prepare the level of service analysis, this nexus study, update the nexus study in future years, and perform accounting and yearly reporting for the use of impact fees. Table 6 summarizes programmatic costs, which include: \$26,980 for preparation of the District's Level of Service Analysis and this nexus study, \$25,000 assumed cost for updating the nexus study twice over the next 10 years, and \$7,000 assumed annual staffing costs for administration of the fee program. To calculate a per capita cost for programmatic tasks, costs must be distributed among anticipated new residents over a chosen period of time. This study uses a 10-year projection for this calculation. Ten years represents a common planning period after which park agencies revisit their standards and funding strategies. It also provides a long-term view of population growth that evens out growth rate fluctuations from year to year. Over the next 10 years, the population in the District is projected to increase by approximately 3,950 people. The estimated costs of administering the program are divided by the population growth to provide a per capita cost for programmatic tasks.

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**Table 6:
Per Capita Programmatic Costs**

Cost Category	Estimated Costs	Projected Population Growth**	Cost Per Capita
Standards, Nexus Study & Updates	\$51,890*	3,950	\$13
Fee Program Administration	\$70,000	3,950	\$18
Total	\$121,890	3,950	\$31

* Includes initial costs of \$26,890 plus \$12,500 for each of 2 updates over 10 years.

** Source: SACOG, *DRAFT 2035 Projections for Households and Population by Housing Type and Employment by Sector* for portions of Regional Analysis Districts 75, 76, and 80..

2.3. Fee Calculation

Section 2.2 calculated the per capita costs of each component of the total proposed fee program. Table 7 provides a summation of those components and presents the total per capita cost of \$3,353.

**Table 7:
Per Capita Cost Summary**

Cost Category	Per Capita Costs
Park Land Acquisition	\$781
Park Development	\$1,500
Major Facilities	\$1,081
Programmatic Tasks	\$31
Total	\$3,393

The final step in calculating the proposed park development impact fee requires identifying a common use factor that relates the per capita costs to a land use designation. In this case, the relevant land use designations are limited to residential uses. For residential land uses, it is typical to use the number of persons per household (or dwelling unit) as the common use factor. Persons per household was obtained from 2000 Census data for the County of Placer and the City of Auburn. Data for the City and County are very similar in each category. Because a large majority of the ARD is within the City of Auburn, City data is used in this study. The exception is data for mobile homes. Census data for the City listed zero mobile home population; therefore, County data is used for the mobile home category. Persons per household data and is summarized in Table 8.

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**Table 8:
Persons per Household**

Household Type	Persons Per Household*
Single-Family Detached	2.58
Single-Family Attached	1.73
Multi-Family**	1.81
Mobile Home	1.89

* Source: U.S. Census Bureau. 2000 Census.

** Represents a weighted avg of persons per household for all multi-family densities

The final calculation necessary to establish the impact fee per each type of residential land use is to multiply the cost per new resident by the persons per household. The proposed fee program includes a park land acquisition fee separate from a park development fee (which includes major facilities and programmatic tasks). The separate fee calculation facilitates allocation of credit gained from park land dedications or in-lieu fees paid through the Quimby program. These final calculations are presented below in Table 9, indicating the proposed fee for each residential land use type and each fee category. Findings to support these proposed fees are presented in the following section.

**Table 9:
Proposed Park Development Impact Fees**

Land Use	Persons Per Unit	Cost Per Capita		Fee Per Dwelling Unit		Total Fee Per Unit
		Acquisition	Development*	Acquisition	Development*	
Single-Family Detached	2.58	\$781	\$2,611	\$2,016	\$6,738	\$8,754
Single-Family Attached	1.73	\$781	\$2,611	\$1,354	\$4,527	\$5,881
Multi-Family	1.81	\$781	\$2,611	\$1,418	\$4,740	\$6,158
Mobile Home	1.89	\$781	\$2,611	\$1,477	\$4,937	\$6,414

* Per capita development costs include park development, major facilities, and programmatic costs

3. Findings for Park and Recreation Facilities Fee

This section presents the findings necessary to establish the Park Development Impact Fee in accordance with the Mitigation Fee Act, *California Government Code 66001 et seq.* Note that development impact fees are distinct from Quimby Act park land dedications and/or in-lieu fees, which are regulated by the Subdivision Map Act, *California Government Code Section 66577.*

Purpose of the Fee

The purpose of the park development impact fee is to provide funding for the acquisition and development of park land and recreation facilities required to serve new residential development in the ARD.

Use of the Fee

The park development impact fees will be used by the ARD to provide park land and recreation facilities needed to serve new residential development. Impact fees collected from development will be used to provide the following types of park facilities:

- Acquire land for active parks to serve the needs of residents of new development, if not provided through Quimby ordinances.
- Capital improvements to park lands already acquired through either the impact fee program or by other means, including swimming pool and community center facilities. This use also includes the construction of administrative and maintenance facilities necessary to support the developed park land.
- Design, permitting, and administration costs necessary to support capital improvements to park lands.
- Programmatic costs of managing the park development impact fee program, limited to 1) the essential accounting and reporting functions necessary to meet legal requirements, 2) the preparation and periodic update of this nexus study, and 3) the preparation of the District's Level of Service standards

Per the explicit requirements of the Mitigation Fee Act, fees collected through the proposed park development impact fee may not be used to fund 1) District operation or administrative costs not directly associated with the management of the impact fee program or 2) park maintenance costs.

Relationship between the Use of the Fee and the Type of New Development

The development of new residential land uses in the ARD will generate additional need for improved active park land to serve recreational purposes. The fees will be used to develop facilities that directly respond to and serve the increased need, including neighborhood parks, community parks, and specified major facilities that meet the District's level of service standards.

Relationship between the Need for Park Facilities and the Type of New Development

Each new residential development project will generate additional demand for park and recreation services and facilities. The ARD's level of service standards describe the required active park and recreational facilities to be provided and the number of residents those facilities are intended to serve. The need for new park and recreation facilities is driven directly by the addition of new residents at the rate established by the District's level of service standards.

Relationship between the Amount of the Fee and the Cost of Park Facilities

The amount of park and recreation facilities fees are based on estimates of the amount of park facilities needed to meet adopted level of services standards, and on the costs of providing those facilities for new residents. Land acquisition estimates are defined on a per acre basis and are based on local real estate values. Park development costs are defined on a per acre basis and are based on recent construction bids for similar park development. The cost for providing major facilities are based on the costs of similar facilities in the region. These costs are used to calculate a per capita cost in each category. The common use factor of persons per household for various residential land uses converts the per capita costs to a per dwelling unit cost for each residential land use.

4. Park Development Impact Fee Comparison

Research for this report included conducting an inventory of park development impact fees in other jurisdictions in the region. Differences in the level of service and the types of components included in the fee program make direct comparisons difficult, but some general comparisons are possible. Some jurisdictions, such as Folsom, have not yet completed a nexus study to support their fees. Some fee programs, such as ARD and Cameron Park, set fees to include land acquisition costs and then provide a credit for land provided through Quimby ordinances, while other communities do not include land acquisition in their impact fees at all. Table 10 summarizes park development fees in the region.

ARD's proposed fee is comparable with impact fees collected by Cameron Park, but are less than fees collected by El Dorado Hills CSD. If adjustments are made to ARD's proposed fees to drop out the land acquisition component, the District's fees are comparable to Roseville and Colfax and are less than Folsom. ARD's proposed fee is higher than the fees for Placer County, due to the fact that the annual adjustments to the Placer County fees have not kept pace with land and construction cost increases.

ARD's proposed park development impact fees are comparable to or less than most of its nearest neighbors, and should allow the area included in the ARD to remain very competitive in the real estate market.

**AUBURN RECREATION DISTRICT
PARK DEVELOPMENT IMPACT FEE NEXUS STUDY**

**Table 10:
Comparisons with Neighboring Communities**

Jurisdiction	Level of Service Standard (per 1000)		Park Impact Fees			Fee Components	Comments
	Active Parks	Passive Parks/ OS	Single-Family	Multi-Family	Mobile Home		
Proposed ARD	5		\$8,754	\$6,158	\$6,414	Land, development, community center, swimming pool, programmatic costs.	Park impact fee includes land acquisition cost, so if land is provided through Quimby, the value of the land is subtracted from impact fees.
Cameron Park CSD	5		\$8,021	\$6,141	\$3,970	Land, development, 11% of total for community, aquatic facilities, associated costs.	Park impact fee includes land acquisition cost, so if land is provided through Quimby, the value of the land is subtracted from impact fees.
Auburn	5		\$1,073	\$694	\$631	In-lieu fees for land dedication only	Fee as of April, 2008
Roseville	6	3	\$5,924			Does not include land. Land separate at 9 acres per 1000. Includes \$739 for "paseos", \$615 for off-street bike trails.	3 ac/1,000 neighborhood, 3 ac/1,000 community
Folsom	5	30% of development	\$7,800			No land. Fee is estimated by staff. Currently preparing a nexus study.	These are being updated - contact the Park and Recreation Department at 916-355-7200
Placer County	5	5	\$3,855	\$2,805		Land and development based on 2003 costs with annual CPI increase	Annual CPI does not reflect growth in regional construction and land costs
Colfax	5	5	\$5,731	\$4,011	NA	Additional revenue from Residential Development Fee 1/2% property value; No special use facilities included	Also charge separate trail fee; fees also collected for office, retail, industrial development, current ordinance does not specify acres/1,000 or fees in-lieu
El Dorado Hills CSD	5		\$10,874	\$8,985	\$7,966	No land. Includes parks, community center, aquatics, admin, maintenance facilities	

5. Implementation

As discussed earlier in this report, the ARD's park development impact fee is applicable to any and all new residential development within the District, including both development on pre-existing parcels and subdivision development. The fee must be paid by the date of the final inspection, or the date the certificate of occupancy is issued, whichever occurs first. If the residential development contains more than one dwelling, the ARD may determine whether the fees must be paid 1) on a pro rata basis for each dwelling when it receives its final inspection or certificate of occupancy (whichever occurs first), 2) on a pro rata basis when a certain percentage of the dwellings have received their final inspection or certificate of occupancy (whichever occurs first), or 3) on a lump-sum basis when the first dwelling in the development receives its final inspection or certificate of occupancy (whichever occurs first). Per Section 66007(b) of the Government Code, the ARD may also require the payment of fees or charges at an earlier time if 1) the fees are being collected for park improvements for which an account has been established and funds appropriated, and for which the ARD has adopted a proposed construction schedule, or 2) the fees are to reimburse the ARD for expenditures previously made.

It should be noted that park development impact fee payment timing, as described above, may occur later in the development process than Quimby land dedication or in-lieu fees. Quimby dedication and fees are collected at the time land is subdivided, and only on subdivision projects. Quimby is not applied to residential development on pre-existing parcels. If land dedication fees were not paid at the time the parcel was created, the full development fee, including the portion for land acquisition, is to be assessed.

The collection of development fees within the ARD boundaries is tied to the subdivision and construction permitting processes overseen by the City of Auburn and the County of Placer. These jurisdictions may also collect separate park impact fees for recreation resources that are not included in the Level of Service established by the ARD, such as passive recreation areas or trails. The ARD will need to coordinate fee collection with these jurisdictions to make sure fees are being properly assessed and distributed to reflect the appropriate nexus with recreation demand and benefits.

5.1. *Future Review and Adjustment*

All cost estimates and fee amounts presented in this report are shown in year 2008 dollars and reflect the best currently available information. Each year, the ARD should review and update the underlying cost assumptions to reflect any adjustments for inflation (based on the Engineering News Record Construction Cost Index or similar index), land appreciation, recent park construction bids, or other relevant cost information. If significant changes are found in any relevant cost factor, or if significant funding from other sources becomes available for the purposes of providing parks for new residential development (as described in this report), the ARD should adjust the park development impact fees up or down accordingly.

5.2. *Fee Reimbursements and Fee Credits*

The ARD and developers may agree, during the development review process, to have the developer donate land for parks and/or provide improvements to parks and facilities that would otherwise be funded by the impact fee program. In the case of such an agreement, the ARD will require the developer to prepare and submit a detailed cost estimate for construction of the improvements to the current approved design standards. If approved by the ARD, the developer may receive a fee credit or reimbursement based on the portion of the fee obligation that is met through the direct construction of the park facilities. The ARD has discretion whether the developer may receive a fee credit or reimbursement for constructing improvements that are beyond the required standards. However, regardless of the dollar value of parks and facilities donated by a developer, the park level of service standards must still be met through some combination of donations and impact fees.

Land donated under these types of agreements will be considered as a direct acre-for-acre credit against the required acreage. The ARD has discretion whether the developer may receive a fee credit or reimbursement for donating developable park land acreage beyond the required standard. Land dedicated or in-lieu fees paid may be credited at ARD's discretion toward the payment of park development impact fees on a dollar-for-dollar basis using the per acre land acquisition costs included in this nexus study, or as updated by the District over time to reflect current market conditions.

Appendix A – Land Acquisition Cost Analysis

Foothill Associates researched a sampling of residential parcels similar to and suitable for active park development to arrive at an estimate for park land acquisition used in this study. Foothill analyzed 19 residential land listings in the Placer County foothills region (including the City of Auburn and unincorporated areas of the County) for the last three years. The following table summarizes the listings.

Property Description	Location	Acres	Cost	\$/acre	Status	Year
Residential	Loomis	2.00	\$ 400,000	\$200,000	sold	2005
Residential	Granite Bay	3.00	\$ 800,000	\$266,667	sold	2005
Residential	Loomis	5.00	\$ 650,000	\$130,000	sold	2006
Residential	Loomis	5.00	\$ 650,000	\$130,000	sold	2006
Residential	Newcastle	5.00	\$ 750,000	\$150,000	sold	2006
Residential	Granite Bay	4.00	\$ 650,000	\$162,500	sold	2006
Residential	Loomis	4.00	\$1,600,000	\$400,000	sold	2006
Residential	Loomis	8.00	\$ 850,000	\$106,250	sold	2007
Residential	Granite Bay	2.00	\$ 750,000	\$375,000	sold	2007
Residential	Loomis	1.00	\$ 400,000	\$400,000	sold	2007
Residential	Auburn	80.00	\$2,400,000	\$ 30,000	list	2008
Residential	Auburn	4.50	\$ 349,000	\$ 77,556	list	2008
Residential	Auburn	59.00	\$4,600,000	\$ 77,966	list	2008
Residential	Loomis	5.90	\$ 500,000	\$ 84,746	list	2008
Residential	Loomis	2.50	\$ 575,000	\$230,000	list	2008
Residential	Lincoln	10.00	\$2,995,000	\$299,500	list	2008
Residential	Granite Bay	7.20	\$2,500,000	\$347,222	list	2008
Residential	Penryn	4.90	\$1,782,000	\$363,673	list	2008
Residential	Auburn	3.12	\$1,530,000	\$490,385	list	2008

Given that list prices for real estate are less accurate than sale prices, and the list prices being analyzed may indicate an overly optimistic view of the current market, our final analysis focused only on the 10 sales listings. Average per acre price of these 10 parcels is \$156,250. We consider this is a reasonable estimate for use in the establishment of a park development impact fee.

Appendix B – Park Development Cost Analysis

In support of developing a typical park development cost for use in this study, Foothill Associates reviewed recent nexus studies prepared for several agencies in the region. The level of development included in the fee is similar in all cases. The development costs from each study were adjusted to 2008 dollars using the Engineering & News Record Construction Cost Index.

Agency	Per Acre Estimate	Date	ENR CCI	2008 Price
Placer County	\$250,000	2005	1.12202	\$280,505
Cameron Park CSD	\$283,000	2006	1.10096	\$311,572
Rocklin	\$264,000	2005	1.12202	\$296,213
Colfax	\$300,000	2007	1.02532	\$307,972
Average				\$298,972

El Dorado Hills was also considered for inclusion in the calculation, but was ultimately excluded due to a difference in standards for facilities and a resultant difference in that agency's park development cost estimate, which equates to \$491,000 in 2008 dollars.

This study uses a development cost of \$300,000, which reflects Foothill Associates' recent experience with actual park development cost estimates in the region.